



Marketing, Services and Trading

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2000 MAY 12 P 12:49

An International Energy Company

May 11, 2000

Office of Coal & Power Im/Ex
Office of Coal & Power Systems
Office of Fossil Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585-0350

Att: Ms. Ellen Russell

Re: CMS Marketing Services and Trading Company
Docket No. EA-223

Dear Ms. Russell:

Enclosed for filing is an original and fifteen copies of the "Application of CMS Marketing Services and Trading Company for Authorization to Transmit Electric Energy to Canada". Please also find a check in the amount of \$500.00 in payment of the filing fee, pursuant to 10 C.F.R. Section 205.309 payable to the Treasurer of the United States. Also enclosed you will find a diskette which contains the subject Application in an electronic format.

Also enclosed herewith is an additional copy of the application to be time-stamped and returned to the undersigned in the enclosed self-addressed, stamped envelope.

Thank you for your assistance.

Very truly yours,

Francis X. Berkemeier
Attorney for CMS Marketing,
Services and Trading Company

FXB/sbd
Enclosures

**UNITED STATES OF AMERICA
THE DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY**

CMS Marketing, Services and Trading Company)

Docket No. EA - 223

**APPLICATION OF CMS MARKETING, SERVICES AND
TRADING COMPANY FOR AUTHORIZATION
TO TRANSMIT ELECTRIC ENERGY TO CANADA**

A CMS Marketing, Services and Trading Company ("Applicant"), pursuant to Section 202(e) of the Federal Power Act ("FPA") 16 U.S.C. Section 824a(e) and 10 C.F.R. Section 205.300 to 205.309, hereby files its Application for blanket authority to transmit electric energy from the United States to Canada.

I.

DESCRIPTION OF APPLICANT

The exact legal name of Applicant is CMS Marketing, Services and Trading Company. Applicant is a Michigan corporation with offices located at One Jackson Square, Suite 1060, Jackson, MI 49201. Applicant is a wholly owned subsidiary of CMS Enterprises Company, which is in turn a wholly owned subsidiary of CMS Energy Corporation. Both CMS Enterprises Company and CMS Energy Corporation are Michigan corporations. To date, Applicant has qualified to do business in the State of Michigan and twenty-three other states.

Applicant does not own or control any electric power generation or transmission facilities and does not have a franchised electric power service area. Applicant operates as a marketer¹ and broker of electric power at wholesale and arranges services in related areas such as fuel supplies and transmission services. Applicant will purchase the power to be exported from electric utilities and federal power marketing agencies as defined in Sections 3(22) and (19) (16 U.S.C. Section 796(22) and (19)) of the FPA. The instant application relates to Applicant as a marketer of electric power only.

II.

JURISDICTION

No other known federal, state or local government has jurisdiction over the actions to be taken under the authority sought in this application.

¹ As used herein, the terms "marketer" and "power marketer" mean an entity that buys and sells electric power for its own account. Applicant has currently effective power marketing rate schedule(s) approved by the Federal Energy Regulatory Commission ("FERC"). A copy of the Letter Order issued September 6, 1996, wherein Applicant's predecessor, CMS Electric Marketing Company, received FERC authorization to make sales of electric power at wholesale in interstate commerce at market-based rates under its Rate Schedule FERC No. 1, is attached hereto as Attachment 2, (which Attachment also includes a September 24, 1998 Notice issued by FERC in Docket No. ER98-4586-001 that acknowledges CMS MS&T as the successor to CMS Electric Marketing Company).

III. COMMUNICATIONS

All service and correspondence concerning this application should be sent to:

Francis X. Berkemeier
Attorney
212 W. Michigan Ave.
Jackson, MI 49201

IV. TECHNICAL DISCUSSION OF PROPOSAL

Applicant seeks authority to transmit electric power to Canada as a power marketer. As noted above, Applicant has no "system" of its own on which exports of power could have a reliability or stability impact. Applicant will purchase the power to be exported from electric utilities and federal power marketing agencies as those terms are defined in Section 3(22) and (10) of the FPA. By definition, such power is surplus to the system of the generator and thus will not impair the sufficiency of the electric power supply within the United States.²

Applicant will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to effect any power exports. This would include (1) scheduling each transaction with the appropriate control area in compliance with all reliability criteria, standards, and guidelines of the Northern American Electric Reliability Council and member regional councils (the "NERC") in effect at the time of export and (2) obtaining all necessary transmission access over the existing facilities noted in connection with Exhibit C.

As the Department of Energy ("DOE") noted in Order No. EA-102 issued to Enron Power Marketing, Inc.³ (referred to hereinafter as "*Enron*"), DOE may utilize the reliability analyses performed in the most recent export authorization proceedings of the above-referenced transmission systems in order to make the findings required for a grant of export authority to Applicant. Applicant respectfully requests that DOE do so and agrees to abide by the export limits contained in the relevant export authorization of any transmission system over which Applicant exports electric power to Canada. The controls which are inherent in any transaction which complies with all NERC requirements and the export limits imposed by DOE on the above-referenced transmission systems are sufficient to ensure that exports by Applicant would not impede or tend to impede the coordinated use of transmission facilities within the meaning of Section 202(e) of the FPA.

² Order No. EA-102, issued February 6, 1996, to Enron Power Marketing, Inc.

³ Order No. EA-102, issued February 6, 1996, to Enron Power Marketing, Inc.

V. PROCEDURES

Applicant proposes to comply with procedures similar to those imposed by *Enron*. From time to time Applicant will enter into agreements with third parties which involve the export of electric power from the United States to Canada. Prior to commencing the export of electric power under such agreements, Applicant will provide DOE with written evidence that sufficient transmission access to complete the export transaction has been obtained. Applicant will make and preserve complete records with respect to the electric power exported to Canada and will provide DOE with quarterly reports within 30 days following each calendar quarter. These quarterly reports will show the gross amount of kilowatt-hours of electric energy delivered and the consideration received therefore during each month of the previous quarter and the maximum hourly rate of transmission.

VI. EXHIBITS AND ATTACHMENTS

The following Exhibits and Attachments are attached hereto or their absence explained as follows:

Exhibit A – Agreements – Not applicable at this time

Exhibit B – Legal Opinion of Applicant's counsel.

Exhibit C – Transmission system information submitted in lieu of maps.

Exhibit D – Non-U.S. Applicant's power of attorney – Not applicable, Applicant is a U.S. entity.

Exhibit E – Statement of any corporate relationship or existing contract, which in any way relates to the control or fixing of electric power rates – Not applicable


Exhibit F – Operating procedures regarding available capacity and energy – Not applicable.

Attachment 1 – Copy of Letter Order, issued September 6, 1996, accepting Applicant's Rate Schedule FERC. 1

VII.
CONCLUSION

Applicant respectfully requests that this application for blanket authority to transmit electric energy to Canada be expeditiously considered and approved on substantially similar terms as were imposed in *Enron*.

Respectfully submitted,

Handwritten signature of Francis J. Beckmeier in cursive script.

Dated: 11 May, 2000

An International Energy Company

Belinda Foxworth
Vice President and General Counsel

May 5, 2000

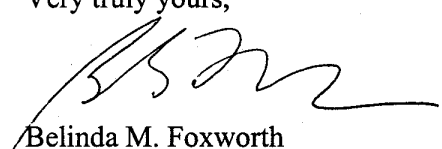
Department of Energy
Office of Fossil Energy
Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Gentlemen:

This opinion is furnished to you in connection with CMS Marketing, Services and Trading Company's application for Authorization to Transmit Electric Energy to Canada, as prescribed by 10 C.F.R. 205.303.

I have examined the Articles of Incorporation and the By-Laws of CMS Marketing, Services and Trading Company and such other documents as I have deemed necessary or appropriate to render this opinion. It is my opinion that the proposed export of electric energy by CMS Marketing, Services and Trading is within its corporate power and that CMS Marketing, Services and Trading Company has complied or will comply with all pertinent Federal and State laws.

Very truly yours,


Belinda M. Foxworth
Vice President and General Counsel

RECEIVED

MAY 08 2000

C. P. Co. Legal

<u>Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>Presidential Permit No.</u>
Basin Electric	Tioga, ND	230-kV	PP-64
BPA	Blaine, WA	2-500 kV	PP-10
	Nelway, WA	230-kV	PP-36
	Nelway, WA	230-kV	PP-46
Citizens Utilities Company	Derby Line, VT	120-kV	PP-66
Detroit Edison Company	St. Clair, MI	345-kV	PP-221
	Marysville, MI	230-kV	PP-221
	Detroit, MI	230-kV	PP-221
	St. Clair, MI	345-kV	PP-221
Eastern Maine Electric Cooperative	Calais, ME	69-kV	PP-32
Joint Owners of Highgate Project	Highgate, VT	120-kV	PP-82
Long Sault, Inc.	Massena, NY	2-115-kV	PP-24
Maine Electric Power Company	Houlton, ME	345-kV	PP-43
Maine Public Service Company	Limestone, ME	69-kV	PP-12
	Fort Fairfield, ME	69-kV	PP-12
	Aroostock County, ME	138-kV	PP-29
	Madawaska, ME	2-69-kV	PP-29
Minnesota Power, Inc.	International Falls, MN	115-kV	PP-78
Minnkota Power Cooperative, Inc.	Roseau County, MN	230-kV	PP-61
New York Power Authority	Massena, NY	765-kV	PP-56
	Massena, NY	2-230-kV	PP-25
	Niagara Falls, NY	2-345-kV	PP-74
	Devils Hole, NY	230-kV	PP-30
Niagara Mohawk Power Corp.	Devils Hole, NY	230-kV	PP-190
Northern States Power Company	Red River, ND	230-kV	PP-45
	Roseau County, MN	500-kV	PP-63
Vermont Electric Transmission Co.	Norton, VT	±450-kV DC	PP-76